

June 5, 2006

Robert Reardon
Director of Assessing
City Hall
795 Massachusetts Avenue
Cambridge, MA 02139

Re: 58:8 Abatement – 62 Gore St. (Cambridge Family & Children's Service)
Our File No.2003-486A

Dear Mr. Reardon:

This is in reply to the assessors' re-submitted request for authority under G.L. Ch.58 §8 to abate fiscal 2003 taxes on the above parcel. We previously denied a request for authority to abate because Cambridge Family & Children's Service (CFCS) had not acquired the property till after July 1, 2002, the exemption eligibility date for fiscal 2003.

The basis for your request to reconsider our earlier denial is a provision in our Informational Guideline Release on abatement authorizations under Ch.58 §8 (IGR 92-206, III: A: 3), which contains the following example of a case where an abatement authorization under Ch.58 §8 is warranted:

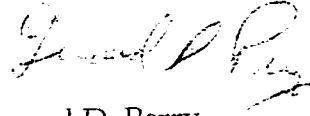
A charitable corporation seeks an abatement of post-acquisition taxes, and the Commissioner determines that an abatement would be in the public interest.

That example is directed primarily at cases where charitable organizations newly acquiring property with respect to which they meet the substantive requirements for exemption fail to file the necessary paperwork with the assessors to give the assessors jurisdiction to abate taxes assessed either to the charity or to a prior owner. In such cases, an authorization to abate under Ch.58 §8 gives assessors jurisdiction to abate that they would have had but for the failure of the charitable organization to file timely the proper paperwork – 3ABC forms, applications for abatement – with the assessors. But there was nothing CFCS could have filed with the assessors to give them jurisdiction to abate the FY2003 tax.

Extending the rationale underlying the example from our IGR to cases such as CFCS's situation would broaden the remedy under Ch.58 §8, so as to create a de facto waiver of the statutory eligibility criteria. The existence of the exemption under Ch.59 §5 Cl.3 amounts to a legislative determination that exemption is in the public interest for charitable organizations. It is hard to see a satisfactory basis for the commissioner

to distinguish among different charitable organizations acquiring property during the fiscal year. Although there are certainly policy arguments for allowing charitable organizations that buy property after July 1 to get a prorated exemption for the year of acquisition, such a change in policy is for the legislature to decide.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Gerard D. Perry", with a stylized flourish at the end.

Gerard D. Perry
Deputy Commissioner

GDP/CH



The Commonwealth of Massachusetts

IN THE YEAR TWO THOUSAND

AN ACT AUTHORIZING THE CITY OF CAMBRIDGE ASSESSORS TO ABATE FISCAL YEAR 2003 REAL PROPERTY TAXES IN THE AMOUNT OF \$61,463.24 ON 62 GORE STREET, CAMBRIDGE, WHICH PARCEL WAS PURCHASED ON AUGUST 12, 2002 BY A CHARITABLE ORGANIZATION

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Notwithstanding the provisions of section five of chapter fifty-nine of the general laws, or any other general or special law to the contrary, the assessors of the city of Cambridge are hereby authorized to abate fiscal 2003 property taxes in the amount of \$61,463.24 assessed on a parcel at 62 Gore Street to Cambridge Gore Limited Partnership, which parcel was purchased by a charitable organization, Cambridge Family & Children's Service, on August 12, 2002.